

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:
	:
GUALACEO REALTY CORP.,	:
	:
Debtor. ¹	:
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Chapter 7
Case No. 22-22099 (RDD)

**REPORT OF SALE OF THE DEBTOR'S
REAL PROPERTY AND IMPROVEMENTS LOCATED
AT 1838 WESTCHESTER AVENUE, BRONX, NY 10472**

MYC & ASSOCIATES, INC. ("**MYC**") was retained, pursuant to 11 U.S.C. § 327(a), by an Order of this Court dated March 16, 2022 [ECF Docket No. 8], as a real estate broker and property manager to Howard P. Magaliff, as Chapter 7 Trustee ("**Trustee**") of Gualaceo Realty Corp. ("**Debtor**").

BACKGROUND

1. On May 18, 2021, Alejandro Quito and Rosa Quito (the "**Quito Debtors**") filed a voluntary *pro se* petition under chapter 7 of the Bankruptcy Code. Howard P. Magaliff is the trustee of the Quito Debtors pursuant to section 702(d) of the Bankruptcy Code (the "**Quito Trustee**").

2. By Order dated September 7, 2021, the Quito Trustee was granted the authority pursuant to section 721 of the Bankruptcy Code to operate and manage the Quito Debtors' businesses and properties in which they have an interest, including without limitation real property and improvements located at 1838 Westchester Avenue, Bronx, NY 10472 ("**Property**") through the Quito Debtors' 100% ownership of Gualaceo Realty Corp.

¹ The last four digits of the Debtor's employer identification number are 4584.

3. On March 2, 2022, the Quito Trustee, acting through ownership of the shares of stock in the Debtor, filed a voluntary petition for the Debtor under chapter 7 of the Bankruptcy Code. The Quito Trustee was appointed as the Trustee of the Debtor and serves pursuant to section 702(d) of the Bankruptcy Code. The purpose for the filing was to enable the Property to be sold.

THE PROPERTY

4. The Property is a 2,550 square foot lot improved by a mixed-use building that is defined by two (2) retail spaces on the ground floor and four (4) residential apartments above the retail stores.

SALE PROCESS

5. By Order dated April 13, 2022 [ECF Docket No. 21] (the “**Sale Procedures Order**”), the Court scheduled an auction sale of the Property at 2:00 p.m. on June 2, 2022 (the “**Auction Sale**”), approved bidding procedures and terms and conditions of sale, and scheduled a hearing to consider approval of the Auction Sale on June 6, 2022.

6. To qualify to bid at the Auction Sale, bidders, among other things, were required to sign Terms and Conditions of Sale and to provide a \$150,000 deposit to the Trustee. Two bidders qualified to bid on the Property at the Auction Sale with an initial bid of \$1,500,000.

7. Spirited bidding at the Auction Sale resulted in a high bid of \$1,625,000 being submitted by Bidder No. 2, Uzi Shvut (“**Shvut**”). Bidder No. 1, MAD Properties Group (“**MAD**”), was recognized as having submitted the second highest bid of \$1,600,000.

8. Both Shvut and MAD have signed Memorandums of Sale and have until 2:00 p.m. on Saturday, June 4, 2022 to tender the balance of the ten percent (10%) deposit pursuant with the terms of the Sale Procedures Order.

MARKETING CAMPAIGN

9. MYC marketed the Property and the Auction Sale by, among other things: (a) advertising in print in the NEW YORK REAL ESTATE JOURNAL, NEW YORK POST, WALL STREET JOURNAL, BRONX NEWS AND BRONX FREE PRESS, and the THE NEW YORK TIMES; (b) advertising Auction Sale digitally through the NEW YORK REAL ESTATE JOURNAL, CREXI, ADWERX, ZILLOW, MULTIPLE LISTING SERVICE; (c) advertising the Auction Sale online on www.crex.com, www.loopnet.com, www.zillow.com, www.trulia.com, www.realtor.com, www.mycorp.com and MYC's social media pages; and (d) e-mailing notifications of the Auction Sale to MYC's subscriber database. MYC also engaged a professional photographer to take photographs of the Property for all marketing materials. Lastly, MYC placed 'For Sale' signage on the Property to attract both vehicular and pedestrian traffic.

10. As a result of the foregoing, MYC believes that the highest and best results were achieved for the sale of the Property

MYC & ASSOCIATES, INC.

By: /s/ Marc P. Yaverbaum

Marc P. Yaverbaum

MYC & Associates, Inc.

Dated: June 3, 2022